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# Business like any other? New Zealand's brothel industry post-decriminalisation

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## ABSTRACT

Sex work is decriminalised in Aotearoa New Zealand and so brothels are deemed a 'businesses like any other' in the eyes of the law. We interviewed 14 brothel operators in this study to understand whether they were able to run their 'business like any other'. Similar to any other business owners, local authorities require brothel operators to run their businesses in accordance with the local district plan. Institutions such as banks and insurance companies, however, have policies which discriminate against brothel owners, and this presents a barrier to running their business like any other. Brothels continue to be seen as discreditable businesses in a decriminalised context and brothel operators internalise this stigma. More effort is needed to reduce stigma and discriminatory practices. The inclusion of the prevention of discrimination on the basis of occupation in New Zealand's Human Rights Act should be the first step. This could better allow brothel operators to run their business like any other in the 'mainstream' economy.

## ARTICLE HISTORY

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## Introduction

The introduction of the Prostitution Reform Act (PRA) in 2003, which decriminalised sex work in Aotearoa New Zealand (NZ), officially recognised sex work as 'work as any other'. The PRA enables sex workers to operate under the same employment and legal rights afforded to any other occupational group, but previous research in NZ has shown that sex workers in all sectors continue to experience stigma under decriminalisation (Abel and Fitzgerald 2010; Armstrong 2019). The majority of sex workers in NZ work indoors, either privately or in a brothel (Abel, Fitzgerald, and Brunton 2009). Private sex workers work independently or with up to three other sex workers, with each retaining control over their individual earnings. Brothel-based sex workers work as independent contractors under the management of a third party (brothel operator) (Abel and Ludeke 2021). This paper focuses on the brothel-based sector as we look to better understand the impact of stigma on brothel operators' ability to run their businesses like any other in a decriminalised context.

Official recognition of sex work as ‘work as any other’ at a national level may not always transfer to the local level. The discretionary powers of local authorities can undermine intentions of legal frameworks. Local authorities do not fully understand the background to national decisions and deviations therefore can occur (Wagenaar and Altink 2012). Knight (2010, 156) has argued that there are also ‘awkward tensions’ for local authorities between the ‘national, philosophical direction’ and ‘strongly held views’ within local communities. Policies and practices at a local level may, therefore, inhibit the running of brothels as businesses like any other. This was evident in some of the decision-making regarding sex work in some cities shortly after the passing of the PRA (Knight 2005b; Knight 2005a; 2010, Abel 2014). Local authorities have the power under the PRA to invoke byelaws to regulate the signage and location of brothels. Some local authorities passed by laws restricting the location of brothels to certain zoned areas. As decriminalisation has settled in, however, most cities have scrapped these byelaws and instead brothels are treated as any other business in their district plans, and operators have to comply with regulations put in place for all businesses.

Research carried out shortly after the enactment of the PRA indicated that brothel operators perceived inadequate monitoring or enforcement of the Act (Zangger 2015; Mossman 2010), but other than that, brothel operation in NZ has been remarkably under-researched. New South Wales (NSW) and the Northern Territory in Australia are the only other locations internationally to have decriminalised sex work. A report submitted to the NSW Government from the Select Committee on the Regulation of Brothels (NSW Parliament 2015) twenty years after decriminalisation, recommended the need for more stringent regulation of brothels (Crofts and Prior 2016). Crofts and Prior (2016, 222) suggest that there was little evidence for claims made in the Report that brothels inherently attract criminality and that ‘the Report fails to recognise that the sex industry can and should be regulated in the same way as other legitimate commercial services’. The Report did, however, note that decriminalisation was ‘the best way of protecting sex workers and maintaining a more transparent industry’ (New South Wales Government 2016, 2). Elsewhere, in both legalised and criminalised contexts, scholars have noted significant shifts in the sex industry over recent decades. They have noted that the modern sex market has become more visible, diverse and middle class (Agustín 2005; Bernstein 2007b; Scoular and Sanders 2010; Weitzer 2012). This shift has been referred to as a ‘mainstreaming’ of the sex industry (Bernstein 2007b; Brents and Hausbeck 2010; Brents and Sanders 2010; Scoular and Sanders 2010; Weitzer 2012) —a process of integration into the formal and ‘square’ sex market (Brents and Hausbeck 2010). Brothels have increasingly become organised; operating more like ‘mainstream’ businesses and integrated with mainstream economic institutions (Brents and Sanders 2010). Despite this shift, however, Brents and Sanders (2010) have noted that social ambivalence continues to restrict the sex industry from operating as others.

There remain strongly held societal views regarding commercial sex. Stigma occurs when an organisation or individual possesses an ‘attribute which is deeply discrediting’ (Goffman 1990, 13). At an organisational level, it occurs ‘when some social audiences discount or discredit an organisation because of core attributes ... that are in perceived violation of social norms’ (Hudson and Okhuysen 2009, 134). Hudson (2008)

refers to this as ‘core stigma’ and studies have used this concept to look at men’s bathhouses (Hudson and Okhuysen 2009), the medical cannabis industry (Lashley and Pollock 2020) and kinky sexuality (Coslor, Crawford, and Brents 2020) to name but a few. It is argued that such organisations are unable to do anything about their stigmatised image (Hudson and Okhuysen 2009) and, as a result, do not hold the same legitimacy as other organisations. Brothels fall into the core-stigmatised category of organisations, and in consequence, people who own or manage them face stigmatisation at an individual level. Hannem and Bruckert (2017, 824) argue that all third parties engaged in the sex industry are stereotyped into a ‘stigmatized identity of the “pimp”’. To some extent, the focus has shifted from sex workers (often depicted as victims) to third parties, depicted as the ‘folk devils in the sex trade – the pimp, the procurer and the trafficker’ (Hannem and Bruckert 2017, 824). They have to manage information about their occupational ‘failing’ in their decisions of whether or not to divulge this to outsiders. They also have to deal with stigma when running their business, which may not be seen as legitimate and where they are unable to conceal their ‘failing’.

There is a wealth of literature on stigma and sex work (e.g.: Benoit et al. 2018; Krüsi et al. 2016; Lazarus 2012; Sanders 2016; Armstrong 2019). Most has dwelt on how stigmatisation affects the social and human rights of sex workers. Fewer studies have looked at how stigmatisation affects the management of brothels, the work of Hannem and Bruckert (2017) being one notable exception. This paper aims to add to knowledge of sex work in a decriminalised environment by addressing this gap.

## Research design

The data in this paper come from a study which aimed to explore employment rights of brothel-based sex workers in NZ’s decriminalised environment. We interviewed both sex workers and brothel operators. Analysis of the interviews with sex workers revealed that decriminalisation has enhanced their ability to control their environment and contest managerial control (Abel and Ludeke 2021). However, the interviews with brothel operators revealed perceptions of difficulties in running their businesses. This paper focuses on this latter thematic area. The University of Otago Human Ethics Committee gave ethical approval for the study (Ref no: 15/169).

The research took a community-based participatory approach, acknowledged as ethically appropriate and best practice when carrying out research in the sex industry (Benoit et al. 2005; Wahab and Sloan 2004; O’Neill and Pitcher 2010). NZPC – Aotearoa New Zealand Sex Workers’ Collective and the first named author were full partners in the research, and this partnership extended to the identification of the research questions; the design of the data collection tools; the recruitment of participants; and the collection of data.

This was a qualitative study with in-depth interviews used to explore the perspectives of fourteen brothel operators (eight males and six females). Four of the female and one male brothel operator had worked as sex workers before becoming brothel operators; thirteen had only operated a business in a decriminalised setting. NZPC are familiar with most brothels in NZ through their outreach work. They approached potential participants and informed them about the study and its aims. Potential

participants received an information sheet giving details of the study and those who were interested in taking part replied directly. They signed a consent form at the time of the interview. Participants were from a mix of small and medium sized businesses. The interviews were semi-structured with no specific questions asked: topics covered focused on business practices; contractual arrangements; regulations relating to operating a brothel in a decriminalised environment; and stigma. Interviews were in the cities of Auckland, Christchurch and Wellington between February and August 2016. The first-named author conducted all but one interview in NZPC offices. She interviewed one brothel operator at their place of work. Each participant was given NZ\$40 in appreciation of their contribution to the study.

Interviews were digitally recorded and fully transcribed. Identifying information regarding specific brothels (such as brothel name and city, or location of the brothel) was deleted from the transcripts and all participants were given pseudonyms to protect their anonymity. We carried out a thematic analysis, which is a method used to identify, analyse and report patterns in data (Aronson 1994; Braun and Clarke 2006). The process for thematic analysis includes becoming familiar with the data through reading and rereading transcripts, before coding for features of particular analytical interest (Braun and Clarke 2006). The coded segments of the transcripts were sorted into overarching themes and sub-themes, and then refined. The first named author carried out this analysis. The analysis was provided to an NZPC member as a credibility check to ensure that the results were credible and dependable (Braun and Clarke 2013). This article focuses on two subthemes within the sex work as 'business like any other' theme – perceived discrimination against brothels; and the discreditable identity of a brothel operator.

### **Business like any other?**

Eight of the operators interviewed had come into the sex industry having run non-sex work businesses in fields such as construction, cleaning and hospitality. Some, like Stuart, continued to run these companies alongside their brothels: 'I've got five businesses, so I'm always busy. I work seven days a week'. Burt thought that in many ways running a brothel was less stressful than running his other businesses because there were fewer economic issues:

The business is for the want of another term cash - you pay your money now and then you get the service - there's not that whole problem around cash flow, debt collection and all that sort of thing. It's just not there, and that's a huge distraction in other businesses. It was in the other ones that we've owned. (Burt)

The integration and application of traditional business structures and processes into sex work businesses forms part of economic 'mainstreaming' (Brents and Sanders 2010). Operators' accounts reflected this. They reported drawing on and applying the same models and approaches across their businesses, describing the brothel business as no different to any other:

All I've done is I've taken all the exact same principles from my other businesses, and I run our business here like that. (Harry, brothel operator)

From a business point of view, yes, it is [a business like any other], and the issues really are the same. We've had a [number of different companies], and the issues always been the same, and really it is the quality of your staff at the end of the day. (Burt)

However, further into the interviews brothel operators contradicted themselves and argued that sex work was like no other business. Decriminalisation brought recognition to people involved in the sex industry in NZ, but this did not necessarily mean they were socially acceptable. In the following section, we examine how stigma and discrimination impacts the operation of brothels, which can potentially limit their ability to participate fully in the mainstream.

### ***Discrimination?***

Operators in this study struggled with societal perceptions of an industry, which located them in a paradoxical position of 'business unlike any other': 'It's a funny sort of industry because it simply ain't like others in the end, which is, you know . there's nothing really similar, to be honest' (Frank). Participants detailed the restrictions that were in place for running a brothel that, in their minds, were absent in other businesses. They argued that brothel businesses experienced significant discrimination.

Amendments had been made to the Prostitution Reform Bill during its time in Parliament. Parliamentarians' perceptions of the nature of the sex industry influenced some of these amendments. For instance, Section 11 of the PRA places restrictions on advertising sexual services. Brothel operators may not advertise on radio, television, in public cinemas, or in newspapers (aside from the adult entertainment columns) or periodicals. Some have tried to advertise elsewhere, such as Trade Me (an Australian-owned buy and sell website used widely in NZ), but adverts have been taken down within 24 h. Others have tried advertising in the Yellow Pages but perceived a double standard. Harry argued that while some companies are able to use images of scantily clad women for a variety of products, this is not an option for the sex work industry:

Basically, we're discriminated against... Because of our industry. ... You cannot put a woman in lingerie, even on Yellow Pages, because it's part of an escort agency. But lingerie companies can be online, and they can advertise on the Yellow Pages with women in bikinis, anything they want. But the escort agencies cannot put pictures up. Even if they're fully clothed. (Harry)

Advertising restrictions attempt to keep the commodification of sexuality out of public discourse and in so doing promotes the social disapproval of workers and operators. Brothel operators cannot build their visibility. Most advertise on their own business websites as well as other web platforms, but this relies on potential clients searching the Internet and choosing their establishment from a range of other brothels.

Another amendment to the PRA made provision for local authorities to enact bylaws to control signage advertising commercial sexual services (Sections 12–13). Not all operators want obvious signage outside their premises. This did not bother Robert, who wanted to 'keep a low profile, as low as possible, so no sign, no flesh, big boards, nothing, so when you're standing outside of the shop, you can't actually recognise it's a brothel. Yeah, it's kind of just like a normal door, and it's upstairs'. Few other

'mainstream' businesses would aim to go unrecognised by potential clients, but the stigma attached to operating a brothel drives the need for some to maintain a low profile and not attract too much attention, whilst also enabling clients to access their premises more discretely. However, other operators saw these restrictions as discriminating and took away the choice to operate out in the open alongside other businesses. Paul questioned why there should be different regulations applied between brothels and other sex-oriented businesses, such as strip clubs. While both are stigmatised, he felt that local authorities had made a distinction and labelled commercial sex as possessing a 'disgusting' attribute:

You're not allowed to have a sign bigger than 37 cm by 1 meter, but if I'm a strip club, I can have a nude woman on the side of my window with lights flashing on it, because there's a difference, because we're disgusting, and that's art. I don't see the difference. (Paul)

Brothel operators' suggestions of discrimination can arguably be supported when it comes to advertising and signage as they do appear to be singled out from other businesses. However, there are certain restrictions which pertain to all businesses that brothel operators saw as specifically aimed at brothels. They claimed these as examples of unfair discrimination. Most local authorities use their district plans to manage brothels and have not passed a byelaw restricting their location. District plans typically set criteria for all businesses within residential, business and rural zones. The criteria are particular to the environment and include management of noise, hours of operation, traffic flow and parking. One Council undertook widespread public consultation regarding changing business hours of operation in residential areas and as a result changed the district plan, restricting the number of hours that all businesses could operate to 8am to 9pm. Caroline's brothel had been affected and this 'cut back our hours of operation by probably about 60%'. The Council suggested possible buildings in a business area where she would be able to open for longer hours, but it was difficult for her to find suitable premises. The cost of putting in the required toilet and bathroom facilities was an obstacle. She felt that the Council had done this to target brothels:

So right now, I'm in the process of trying to find a commercial building ... I have found a building, but we've got to see whether it will work from the plumbing side. I've found 5 or 6 other buildings, but again the plumbing's the big one with them. How much is it going to cost? \$100,000, \$50,000? I don't have money like that. Need to put in showers with continuous hot water, and a lot of these buildings, this is a problem with the whole industry, is there's a problem with the Council. (Caroline)

Any business (brothel or other) in a residential area needs resource consent from the local authority if it exceeds a prescribed number of workers (usually three or four). The authority must take into account whether the business is likely to 'cause a nuisance or serious offence to ordinary members of the public using the area' and whether 'it is compatible with the existing character or use of the area'. Getting resource consent can be expensive, but Max's perception was that the Council wanted to charge him more than other businesses:

[It's] very hard to get the resource consent. ... they can turn you off for any reasons, say you're too close to neighbours, close to a school, close to - oh they don't even give you a reason, in the final stage they only say, 'Okay, we need your case to be publicly notified.

Then it could cost you \$30,000, \$40,000, it's hard to say'. And then at the end you still get nothing. So that's the kind of strategy that I think the council normally, if they don't want you to operate the brothel here, they will just use that way to just turn you away, 'cos they know that you won't be able to pay. It's really costly and really hard so that's why people just try to, you know, stay in the small brothels. (Max)

Brothel operators like Max saw this as a strategy local authorities took to deter brothels from operating in specific areas. He therefore opened several small brothels of less than four workers each in residential areas as opposed to one big brothel, which meant he did not need resource consent:

But then council complain, 'Oh you're everywhere, you've got brothels everywhere, small', so they say that they've got too many complaints from the neighbours. But actually council, why don't they ever think why there are so many. Because it's too hard to get [resource consent] to locate in the right place. So that's why people, you know, if they've got a choice, they'd rather stay in the small brothel without, you know, without too much cost, without too much trouble with applying for the resource consent from the council. (Max)

Both Caroline and Max were conscious of the stigma attached to their businesses and thought that the Councils discriminated against them because they were brothel owners. They refuted the idea that the restriction of hours of operation or the cost for resource consent was the same for all businesses: 'So, for [other businesses they] find a reason to approve it, yes, it's no big problem, yes, pass. For the brothel, they find a problem, they say no' (Max). While it may be debatable as to whether the Councils discriminated against brothel operators, it seems that other institutions, such as banks and insurance companies were more blatantly discriminatory in their choice of clients. This was partly attributable to the fact that decriminalisation had not significantly reduced the core-stigmatisation of the industry, which does not enjoy the same degree of social legitimacy as other industries (Abel 2014, Prostitution Law Review Committee 2008, Sullivan 2010). Paul had tried to raise a loan for his business from a bank and had also tried to insure his business but was charged an excessive amount of money. He suggested that he received different treatment to other business owners because he owned a brothel:

Brothel owners, you pay all the taxes, all the high charges. My insurance has got, because I'm a disgusting brothel owner, and that's their words, not mine, I pay \$50,000 a year for insurance. If it was a night club, they told me I'd pay 8, but there's only one person that would insure me. So the government has (.) [decriminalised] it, but then strapped our hands behind our backs. .... I went to [the bank to] ask for a mortgage to buy my building ... And their quote was, 'We don't loan to people like you, with businesses like that' ... Yeah, and I chased it all the way up the chain. We are disgusting scumbags. It's as simple as that. That's what everyone thinks, that's everyone's impression of it. (Paul)

Brothel operators therefore felt that the stigma associated with their businesses set them apart from other businesses. However, the stigma attached to the sex industry also had flow-on effects when managing the stigmatisation and stereotypes attached to their occupation in owners' private lives as discussed below.

### ***Discreditable identities***

Core stigmatisation of brothels transfers onto the operators of these businesses: 'If people find out that you're a brothel keeper or run a place, you know, I think it



definitely hasn't got respectability that ... which is all bullshit' (Frank). Popular discourse constructs brothel operators and other third parties as profiteering from the forced labour of (predominantly) women for financial gain (Hannem and Bruckert 2017). Brothel operators sometimes find themselves labelled as pimps. Stuart described a situation with an acquaintance at a pub one night: 'I was all dressed up, had a suit on and that, cause I'd been at another meeting, and he said, "Oh, is this what the current pimp looks like?" I thought, "You little shit."'

Goffman's (1990) concept of 'felt stigma' encapsulates how individuals internalise stigma and anticipate discrimination from others on the grounds of their social unacceptability. However, many brothel operators in this study sought to resist and manage stigma in different ways. Some operators, like Robert, rejected labels such as 'bad guy', linked to trafficking and drugs. Brothel operators could also be 'good' people, who just wanted to make a living:

I personally know a few very good brothel owners. All we want is to make some money, ... And the whole society sees prostitution, the girls who are actually working here and the business owner, as bad guy ... All we can see in the newspaper is brothel, human trafficking, drugs, drunks, fighting, everything. There's nothing good about us. (Robert)

Ingrid resisted stigmatisation and stereotyping by emphasising her caring nature – in opposition to the heartless, exploitative pimp. She provided accounts of how she dealt with clients who failed to meet the standard for women in her agency and passed the stereotype on to 'other' brothel operators who would not be so sensitive to the needs of their staff:

I mean prostitution is a wonderful thing, and it's a two-way street. The women get something and the men get something, but every now and then you get that man that makes you (.) not question, but makes me say, 'I don't want you at our agency with these women that I really care about'. But I know he's going to go to some other agency for some other woman, and that manager, owner, receptionist is going to take his booking. Maybe not everyone thinks the same way I do. (Ingrid)

Others challenged people's understandings of the sex industry:

A few friends have . said, 'Oh no, I can't be friends with you'. But to me, that doesn't bother me, 'You weren't a friend anyway'. But yeah, there is a stigma. A lot of people will go, 'Wow, that's awesome', and a lot of people are like, 'Oh God, you're a paedophile'. And that's like, 'No, we don't force them and they earn a lot of money. Yeah, and it's got nothing to do with paedophiles. They're all 18+'. (Paul)

Some brothel operators selectively concealed their involvement in the sex industry to protect others. For instance, brothel operators who were parents reported being particularly careful not to expose their children to the ridicule of school friends: 'My main concern was for my children. I didn't want parents of kids that my children played with saying, "You're not playing with those kids 'cos their parents own a brothel"' (Burt). Brothel operators who owned other businesses chose to mention only those businesses in social situations. Others, like Ingrid, disclosed in some social situations, while at other times invented another occupation. Ingrid countered stereotypical notions of commercial sex by emphasising that it was 'cool' and 'awesome' but sometimes took on the identity of caterer in social situations:

Well, I think it's really cool and it's really awesome, but sometimes you just don't want to talk about it, you know, so I do catering, and that's a pretty boring job and nobody asks me questions. Nobody wants to know. And then other times you are in the mood. You just meet a group of people and they're, 'Oh what are you doing?' and you say, 'Oh I run an agency', and then, 'Oh wow, how did you get into that?' Then you're in the mood to sort of talk about it. (Ingrid)

Hannem and Bruckert (2017) draw on Goffman's theory of 'stereotype consciousness' to explore the way in which third parties in the sex industry recognise and engage with stereotypes attached to their 'discreditable identities'. Ingrid, perhaps, best reflected how brothel operators could distance themselves cognitively from such. She rejected stereotypes of sex workers and suggested that she defended them in social conversations:

The things they would say, I don't know, 'Like that's kind of not how it is'. 'Oh, all those girls, they're all on drugs'. 'No, they're not. I don't know any prostitutes who are on drugs, and I know quite a few hundred', you know. 'Oh, they'll do anything for money'. 'No, actually they won't. Women will walk out of bookings. They don't care about the money'. (Ingrid)

She argued that her business was a 'nice place' (read opposite to the stereotypical dark and dingy brothel), where mothers popped in for coffee and a chat and left happy to have their daughter working there:

I mean I've had mothers come in, you know. They come in 'cos they want to see where their daughter's working and we sit and have a cup of coffee. Their daughters are upstairs doing appointments and me and the mother are sitting there chatting away. And then afterwards the mothers always walk out and say, 'I feel so much better about this, so this is a nice place'.

The term high-end/low-volume has been used by Easterbrook-Smith (2020) to describe brothels that purportedly charge more and provide an experience for the client which ostensibly goes beyond a quick exchange for sex. Some brothel operators use the term 'high-end' in marketing their businesses in an attempt to differentiate themselves and appear more elite than other businesses. In doing this, they are able to distance themselves from stigma.

Ingrid was one of only two brothel operators in this study to run a so-called 'high-end' brothel. She put a lot of time into her business (about '80 h per week, 7 days'), which she categorised as 'a smaller boutique agency'. She charged more than the other operators in the study and was more selective of the women that worked for her: 'so the woman walking through the door is going to be articulate and educated and, you know, absolutely gorgeous'. Sex workers had to be slim, preferably European, and attractive, with no tattoos, piercings or 'blue hair' to work in her agency. When applicants failed to fit this description, she would state: 'I'm not saying you can't work as an escort, I'm sure there's plenty of places where it won't be a factor, but at our agency, it will be a factor'.

Stuart was the other participant who suggested that his brothel was 'high-end'. He described it as

a beautiful apartment ... beautifully done, nice antique furniture, and it's sort of like taking the client out of the reality of the day and giving him an experience. ... It's not

just about a quick shag. It's about having an hour, an hour and a quarter of an experience, and having a wine, having a juice, having a nice bubble bath ... it isn't about sex. It's about that journey.

Easterbrook-Smith's (2020) analysis of media depictions of the sex industry in NZ suggests that high-end/low-volume agencies have to some extent been destigmatised, but this has been at the expense of other sectors, including brothels and the street-based sector, where prices are cheaper and sex workers see more clients on their shift. Participants who did not advertise themselves as 'high-end' accepted that they were regarded as 'low-end' but challenged the appropriateness of the terms. Harry owned and ran what would be termed a 'low-end/high-volume' brothel and commented on the inequality that this had created amongst brothel owners. He disputed that there was much difference in the service provided:

There's a conception in this industry that people who charge less are not as good, and it's put out there by the people who are running the places that charge more. It's almost like they self-promote that anyone who charges less than us has to be giving a worse service, - even in the media there's a lot of stuff, you'll see lots of stuff about [names of brothels], places like that. They go, 'Oh these are high-end girls', and it's almost like they're promoting that, 'This is high-end', so they're creating a situation where there is inequality within the business. (Harry)

Some authors have commented on an 'upscaling' of sex work (Ray 2007, Brents and Sanders 2010, Brents and Hausbeck 2007), which has to a degree normalised commercial sex in 'clean and shiny urban spaces' (Bernstein 2007b, 141). Bernstein (2007a, 480) has argued that middle class sex workers have sought to professionalise their activities and develop 'a sense of meaning and ethical value' to their work. This reframing of sex work by sex workers, their representative bodies and, to some degree brothel owners, has been an effective strategy to challenge stereotypes and counter stigma for both sex workers and brothel operators. But, despite these efforts to reframe the industry, discriminatory practices and attitudes remain highlighting the need to continue to advocate for further law reform, including ant-discriminatory legislation.

## Discussion

Decriminalisation involves the scrapping of all laws that criminalise sex workers' activities and makes the industry subject to the same laws and practices that govern any other service industry. The arguments for decriminalisation in NZ included (amongst other things) the need to address the exploitation of sex workers by brothel operators under criminalisation (Barnett et al. 2010). This has helped to inform the stated purpose of the PRA, which was to safeguard the health, safety and human rights of sex workers. The achievements made thus far are principally due to the recognition of sex workers' right to justice and the protections for sex workers built into the PRA (Abel 2014; Abel et al. 2010; Armstrong 2019). Sex workers can challenge brothel operators' exploitative and coercive practices, and many have (Abel 2018). However, brothels and brothel operators are also important and necessary for many sex workers, who do not want to engage in the business-side of the work. These sex workers rely on others to

perform key functions for them, such as marketing, providing a clean and safe place to work from, and collecting money from the client (Abel and Ludeke 2021). So, there remains a demand and need for brothels in a decriminalised environment.

While it can be argued that the modern sex industry has become more mainstream—with sex work businesses operating more visibly and comparable to other businesses, there has not been as much mainstreaming as one might expect in NZ. Despite decriminalisation, large formal establishments have not entered the market (a trend described by Brents and Hausbeck 2010), and the industry remains made up of small and traditional establishments operating in a highly competitive environment. The findings of this study indicate that new actors appear to be engaged in owning and operating brothels in NZ since the introduction of the PRA. They aspire to operate their businesses in a professional manner, with the same principles they apply to businesses outside the sex industry. However, some of these brothel operators perceive local authorities as inhibiting them from running their ‘business like any other’. In some instances, this may be the case, such as restrictions on advertising and signage. District plans and resource consent regulations, on the other hand, apply to all businesses. Yet participants in this study saw themselves as being given harsher treatment than other businesses, which possibly reflects the stigmatisation they have internalised as operators of brothels.

This study has shown that restrictions which pose the greatest barrier to brothel operators running their business like any other sit outside local government. Institutions whose services are vital for the running of businesses in the mainstream such as banks and insurance companies have been particularly harsh on brothel operators. Decriminalisation has not addressed the social stigma associated with the sex industry, and the discrimination brothel operators’ experience as a result of stigmatisation is the greatest obstacle to brothels sitting comfortably in the mainstream. One way of responding to this is to challenge negative evaluations of organisations (Hudson 2008). This requires a voice with bargaining power. There has been a small measure of success in NZ in bargaining with banks since this study concluded. In 2020, Kiwi Bank published its ‘responsible business banking policy’, which prohibited clients from brothels and strip clubs. Many banks say that they will not do business with organisations that ‘may cause social harm’. Kiwi Bank modified their policy after a media outcry and agreed to do business with brothel operators who could ‘demonstrate good practice’. This was a small victory, but the caveat of ‘demonstrate good practice’ is nebulous at best. It is difficult to assess exactly what good practice is, and this may still prove to be an obstacle to brothel operators getting future bank loans.

Stigma and discrimination can be challenged by changing stigmatisers and by changing the balance of power between those who are stigmatised and those who stigmatise (Link and Phelan 2014). Challenges to the stigmatisation of brothels and brothel operators are likely to be more successful when sex work is decriminalised and thus recognised in law as a ‘legitimate’ occupation. This is the situation in NZ. However, more action is needed before brothel operators are able to run their business like any other within the mainstream economy.

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## Data availability

Due to the nature of this research, participants of this study did not agree for their data to be shared publicly, so supporting data are not available.

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